

23 March 1961

~~SECRET~~

CUBA

CIA HISTORICAL REVIEW PROGRAM
RELEASE IN FULL 1997

I. For all practical purposes, Castro regime is part of Sino-Soviet Bloc.

A. Politically, regime is useful tool of Bloc penetration in Latin America and for disseminating Communist line throughout hemisphere.

1. Also serves Bloc in UN, where it votes almost consistently with Bloc.
2. Diplomatic relations established between Havana and all Bloc countries except East Germany. Several hundred Bloc diplomatic and commercial personnel now in Cuba.

B. Economically, Castro regime dependent on Bloc for survival.

1. This year, Cuba expected to sell over two-thirds of sugar crop to Bloc and is almost completely dependent on Bloc as source of supply.
2. Cuban industrialization and development plans rest almost entirely on procurement of large-scale material and technical assistance.
3. Five year trade agreements concluded with all 12 Bloc countries, eight of which have provided Cuba with total of more than \$245,000,000, in long-term credits.
4. ~~Several hundred~~ Bloc technicians in Cuba for economic assistance and agreements reached for sending at least 2,400 Cubans to Bloc for training.
IN ADDITION TO DIPLOMATIC AND COMMERCIAL PERSONNEL, THERE ARE UP TO 2000
5. Multilateral payments agreement between Bloc and Cuba is most concerted team effort by Bloc ever to assist a non-Bloc country and the extent and nature of Bloc commitments clearly indicate that Cuban-Bloc relationship has been developed for the long haul and not merely a spectacular but short-lived episode.

~~SECRET~~

23 March 1961

~~SECRET~~

C. Militarily, Cuba in past year has received more than 30,000 tons of arms from Bloc, with value estimated at about \$50 million.

1. Equipment includes full range of land armaments ranging from small arms to heavy tanks.
2. Aircraft thus far sent include helicopters and piston-type trainers; no hard evidence that Cuba has yet received MIGs.
3. Military assistance likely to be continued.
4. Soviet and Czech military technicians, probably more than 200, now in Cuba.
5. Nearly 150 Cubans have been undergoing military training in Bloc since last summer; some undergoing ^{3ET} pilot training.

II. Cuban economy shaken by disruptions inherent in [^]drastic changeover to state control.

A. Industrial production, and to lesser extent agricultural, have declined sharply under nationalization.

1. For example, textile production has declined to 50 percent in two years, according to admission of government entity now controlling this industry.
2. However, major government effort now getting under way to increase and expand production; Che Guevara now heads Ministry of Industries which outlining comprehensive five-year industrial development program.

B. Many Cubans, including even government radio stations, complaining of shortages and blackmarketeering.

C. Foreign exchange, needed for certain key items unobtainable from Bloc (such as sugar mill and refinery parts and some consumer goods), was near zero in January, but is now slowly rising.

~~SECRET~~

23 March 1961

~~SECRET~~

1. Cuban sugar crop this year likely to be between 5.5 and 6 million tons--about a normal crop. Cuba assured of market for 4 million tons in Bloc; remainder to be sold in free world at whatever price can be obtained.

III. Resistance to regime growing inside Cuba and pockets of armed resistance now believed active in at least three of Cuba's six provinces (Las Villas, Oriente, Pinar del Rio).

- A. Acts of sabotage and terrorism by anti-Castro activists occurring in all provinces.
- B. Announcement on 21 March of formation of anti-Castro "Revolutionary Council" headed by former Premier Jose Miro Cardona signals the coalescence, ~~at least temporarily~~, of many diverse Cuban exile groups, REPRESENTING ALL CLASSES OF CUBANS EXCEPT EXTREME LEFTISTS AND BATISTA SUPPORTERS.

1. This action may presage more vigorous and effective activity against Castro.

~~SECRET~~